

# SHIIP NEWS

NEBRASKA SENIOR HEALTH INSURANCE INFORMATION PROGRAM

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## SUMMER IS HERE, AND...

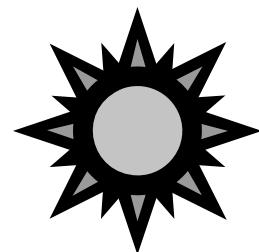
...our SHIIP has set sail! On board for the ride, Nick Trede, our new Training Specialist, and Jim Bendorf, new Training Coordinator. Welcome aboard!

The Nebraska SHIIP report for Medicare counseling activities is completed for the April 2004-March 2005 contract year. It has been one amazing year. SHIIP counseling opportunities soared with a reported 6,427 people counseled by our volunteers and staff. That's 3,000 more people than last year! Outreach events also increased. Approximately 478 events, ranging from public presentations, informational booths, television spots, radio shows, and newspaper articles were reported - an increase of 134 events from last year. The SHIIP offices also conducted 19 initial trainings and 8 update trainings that resulted in an increase of 161 volunteers.

The next twelve months is a crucial time for the Nebraska SHIIP. We have the great opportunity to provide an important service to 300,000 Nebraska beneficiaries, their caregivers, and family members. The amount of outreach and counseling will far exceed what we've done in the past. Nebraskans are asking for our assistance in understanding the Medicare prescription drug benefit and the extra help available for these plans. Your efforts have given national recognition to the SHIIP programs as the best way to provide Medicare beneficiaries with the one-to-one counseling they may need.

Due to the significance of this task, it is critical that we reach our targeted audiences - limited income, hard to reach, those with catastrophic drug costs, and those currently without any drug coverage. We need to engage our communities, professionals, and beneficiaries in an effort to enroll them in the Medicare prescription drug benefit. We must take every opportunity to conduct outreach and counseling activities. SHIIP's success in meeting this challenge relies on our local volunteers and SHIIP staff offices.

Your continued hard work is paying off and our program is gaining in popularity. The impact you all have in helping the Medicare beneficiaries in your community understand the upcoming changes is outstanding. We couldn't ask for a better group of volunteers.



# VOLUNTEER HIGHLIGHTS

## ONGOING DEDICATION

Volunteers continue to counsel beneficiaries across the state. The following people have sent in contact forms documenting their efforts. SHIIP volunteers and staff submitted contacts with **1,003** beneficiaries during the last quarter. Way to go!

Carol Barr	Joyce Mack
Jim Barry	Jodi Mackin
Dorann Bartels	Robert Martin
Marylynn Barth	Shirley McCall
Jim Bendorf	Dick Messersmith
Susan Block	Laura Norman
Jane Bonczynski	Jeannette Pappas
Rita Brehmer	Nancy Peartree
Sue Chipman	Sally Pichler
Donna Clevenger	Sue Rikli
Tena Cline	Pat Ringlein
Christine Craddick	Sharon Roberds
Shauna Dahlgren	Marliss Rockwell
Lori Dannar	Jody Roeker
Houston Doan	Addie Schroeder
Leonard Finnegan	Cindy Schurr
Bill Hamilton	Bill Sheets
Helen Hancock	Carol Sinner
Marilyn Henry	Teresa Sinner
Cathy Hitz	Shirley Smith
Evelyn Humlicek	Rahman Strum
Ann Jamison	Iola Sutton
Ruth Kamino	Steven Trickler
Katherine Knapp	James Umshler
Ann Kroeger	Diane White
Trudy Kubicek	Susan Williams
Kim Langdon	Harley Winchester

## PUBLIC & MEDIA OUTREACH EVENTS

Over the past few months, SHIIP volunteers and staff have organized and facilitated a total of **108** outreach events across the state! As usual, the SHIIP volunteers have been so active, there just isn't room in the newsletter to include a detailed description of each outreach activity. Listed below are the names of the volunteers who submitted Public and Media Outreach forms for activities during the past quarter. Keep up the good work!

Frank Balderson	Danette Larkins
Marylynn Barth	Dorothy Lee
Jim Bendorf	Maxine Lillis
Donna Clevenger	Joyce Mack
Houston Doan	Kathy Malm
Lisa Franco	Pat Ringlein
Donna Garwood	Pam Roberts
Bill Hamilton	Jody Roeker
Angela Howell	Cindy Schurr
Mary Humphrey	Nancy Schwisow
Katherine Knapp	Carol Sinner
Ann Kroeger	Susan Williams
Trudy Kubicek	

**“Act as if what you do  
makes a difference. It  
does.”**

~ William James

## ATTENTION!

Effective July 1, 2005, the Client Contact (CC) and Public & Media Activity (PAM) forms will change! Volunteers **MUST** discard any old forms and begin using the new sheets. The new forms are available as an insert in this quarter's newsletter. Two one-hour conference calls have been scheduled to train volunteers on the specifics of the forms. The calls will take place **Monday, July 11th at 2:00 p.m.** and **Thursday, July 14th at 10:00 a.m.** Volunteers should plan to participate in one of these calls. For each call, participants must dial **1-888-622-5357** and enter the conference code **904874**. Please contact your regional representative or the SHIIP headquarters if you have any questions.

# GOLD RECORD

## Harry Bianchi

Harry Bianchi became a SHIIP volunteer with the Volunteers Intervening for Equity (VIE) office in Omaha in the fall of 2004. Harry has offered to assist in many different ways. Most recently, following a local news story regarding pharmaceutical assistance programs available for senior citizens, the VIE office received many calls for information. Harry made a point of coming into the office and learning how to utilize the Medicare website to assist over 20 senior citizens. Harry has spent hours at the VIE office researching programs and putting together packets to send out to clients. This assistance has been incredibly valuable to the SHIIP at VIE as well as many senior citizens in the area who now have more options when trying to obtain their expensive medications.

## Lowell Gordon

A SHIIP volunteer from Lincoln since the spring of 2005, Lowell Gordon assisted the SHIIP program office in coordinating over 250 update training packets. With all of the recent SHIIP staff changes, the office was left short-handed during a busy time of year. Without Lowell's help, the SHIIP Update Trainings would not have been a success.

## Danette Larkins

Danette Larkins became a Lincoln-area SHIIP volunteer in the spring of 2005. During the recent satellite conference conducted by the Nebraska Medicare Prescription Drug Key Stakeholders Coalition, Danette's knowledge was invaluable. Due to a technical problem, participants at Bryan LGH were unable to hear the conference. She showed her expertise by moderating the program at that location. In addition to assisting with the conference, Danette continues to write articles for the 55+ newsletter, a publication that reaches approximately 75,000 people.

"I expect to pass through life but once. If therefore, there be any kindness I can show, or any good thing I can do to any fellow being, let me do it now, and not defer or neglect it, as I shall not pass this way again."

~William Penn

## REPORTING/ATTENDANCE REQUIREMENTS

As volunteers know, SHIIP has instituted a minimum reporting requirement for volunteers. Each volunteer must submit a minimum of four client contact and/or outreach forms every grant year to retain his or her active status, continue getting newsletters, manual updates, etc. Volunteers who have not submitted at least four client contact and/or outreach forms between April 1, 2005 and March 31, 2006 will no longer be considered active volunteers, will be taken off the SHIIP mailing list, will be required to return the green SHIIP manual. If you have any questions about this requirement or would like help with ideas to increase your outreach efforts, please contact your regional representative. Please continue to submit CCs and PAMs to your regional representative on a regular basis.

It is **VERY IMPORTANT** that volunteers attend a Fall 2005 update in order to maintain active status with the program. The new changes in Medicare offer a perfect opportunity to do outreach in your community.

# WHAT'S NEW?

## NEW VOLUNTEERS

The Nebraska SHIIP network continues to grow. We now have over **200** volunteers! A number of new volunteers have been added to the program since the last newsletter. They include:

Irene Anderson, Overton  
Pat Baherink, O'Neill  
Doris Behrens, Sterling  
Lana Bennett, Elwood  
Mary Bowman, Kearney  
Evelyn Brownell, Franklin  
Jill Cammack, DeWitt  
Chris Cole, Beatrice  
Christine Craddick, Omaha  
Lori Deboer, Fairbury  
Kathy Erikson, Beatrice  
Gerald Freberg, Omaha  
Marian Freberg, Omaha  
Virginia Fox, Coleridge  
Marian Glunz, Elsie  
Brenda Halstead, O'Neill  
Debbie Hellbusch, Fairbury  
Maureen Henn, Petersburg  
Shannon Howell, Omaha  
Marleen Howsden, Bertrand  
Debbie Ives, Verdigre  
Karen Klover, Blue Springs

Denise Kring, Kearney  
Misty Kropatsch, Columbus  
Victoria Kusmierski, Omaha  
Terri Lewis, O'Neill  
Kim Luttrell, Kearney  
Linda McNutt, Valentine  
Brenda Oberg, Farnam  
Julie Parde, Adams  
Shirley Prokop, Wayne  
Tom Rich, Whiting, IA  
Sue Rikli, Kearney  
Jane Rose, Blue Hill  
Bill Sheets, Franklin  
Shirley Smith, Summerfield, KS  
Dan Stauffer, Franklin  
Rahman Strum, Bellevue  
Shawna Tatman, North Platte  
Denise Temple, Dakota Dunes, SD  
Rachel Theye, Wynot  
Jeanette Vitosh, Beatrice  
Dawn Wheeler, Imperial  
Pamela Webster-Fee, Omaha

## WELCOME ABOARD

### PROMOTIONAL ITEMS

The SHIIP office still has several promotional items that volunteers can use at booths, presentations, or when counseling. Items include: key chains with a wrist cord, magnet clips, ink pens, pencils, and pill pouches. All items provide the SHIIP hotline number to call for questions about Medicare. Contact Sue at the SHIIP office if you're interested in these items.

## SHIIP STAFF UPDATE

**Jina Ragland** became the SHIIP Program Coordinator in April.



**Nick Trede** accepted the Training Specialist position in May. Nick recently moved to Lincoln from Kearney where he worked for Project Extra Mile, an underage drinking prevention project, in Dawson County. Originally from Greeley, Nebraska, he graduated from UNK with a communications degree in 2003.



**Jim Bendorf** assumed the duties of Training Coordinator in June. Having most recently served as the Nutrition Services and Program Specialist for the Midland Agency on Aging in Hastings, Jim also has a background in long-term care and has been a SHIIP volunteer since 2002. He is a member of the ECHO Project Steering Committee and also serves as Vice Chairman of the Nebraska Association of Senior Centers. Jim and his wife, Penny, have three children and four grandsons.

## NEW ARRIVAL

SHIIP VIE Regional Representative **Aimee McKim**, of Omaha, gave birth to a beautiful baby girl on June 4, 2005. **Ciera Jean** weighed 9 lbs. 8 oz., and was 20.5 inches long. Congrats!

# THIS & THAT

## TRAINER NOTES

A total of 110 volunteers attended the update trainings held this spring in Lincoln, Norfolk, Hastings, Kearney, North Platte, Scottsbluff, Omaha, and Beatrice. A BIG thank you to those who continue to give the extra time and effort to stay updated on the many changes in Medicare. With the roster of volunteers continuously increasing (currently over 200 volunteers), we would like to see the attendance numbers grow for the update trainings in the fall. These trainings will ensure that all volunteers are equipped with the current and correct information to provide accurate and effective counseling of beneficiaries.



The SHIIP recently partnered with AARP in recruitment of new volunteers to counsel Medicare beneficiaries on the drug benefit, and will be providing trainings to these individuals specifically on the changes in Medicare and the process for enrollment into Medicare's Prescription Drug Benefit.

As always, the SHIIP office is here to help volunteers with all outreach and counseling efforts. We are all working together to educate and assist Nebraska's seniors.



### FAST FACT

Approximately 15 percent of the Medicare population is under 65 years old and disabled, a number estimated to expand to 17 percent by 2010.

### NEBRASKA'S 2005 MEDIGAP COMPARISON GUIDE

The 2005 Medicare Supplemental Insurance Comparison Guide is available at the SHIIP office. Contact Sue if you'd like to receive a copy.

## EFFECT OF "EXTRA HELP" ON FOOD STAMP ELIGIBILITY

Food stamp allotments may be decreased for those who receive "extra help" with the new Medicare prescription drug costs, but the benefits for senior citizens will still outweigh any perceived liabilities.

When Medicare begins covering drugs in January, older Americans will spend less money on drugs and will therefore have more to spend on food, reducing their need for food stamps, officials have said.



Out-of-pocket medical expenses can be deducted from an applicant's income when calculating eligibility for food

stamps. When beneficiaries get help paying for drugs through the extra help, their out-of-pocket medical expenses may decrease, thus causing their medical deductions for food stamps and housing assistance to decrease.

However, the offset is not dollar-for-dollar. Generally, every \$1 increase in adjusted income results in only a \$0.30 decline in food stamps. The net savings for the beneficiary is \$0.70.

According to Mark McClellan, administrator of the Centers for Medicare and Medicaid Services, "Medicare beneficiaries will get comprehensive help with their drug costs and will have significantly more resources for all their other basic necessities, including food." The savings on prescription drugs will more than offset any loss of food stamps, so "low-income seniors will be better off," he said.

# MEDICARE MISC.

## MEDICARE APPROVED DRUG DISCOUNT CARD STILL AVAILABLE

The Medicare-approved drug discount cards are still available in 2005 and continue to be an important way for many beneficiaries to save money on their prescription drugs. Drug discount cards are available to all Medicare beneficiaries unless they are a Medicaid recipient. To be eligible for the credit, a beneficiary's income must be below **\$12,919 (single person) or \$17,320 (couple) in 2005**. The amount of credit received depends upon the enrollment period.

**January 1 - March 31: \$600.00**

**April 1 - June 30: \$450.00**

**July 1 - September 30: \$300.00**

**October 1 - December 31: \$150.00**

Any credit remaining on December 31, 2005 may be carried into 2006 and applied toward the cost of medications, until the beneficiary is enrolled in a Medicare Prescription Drug Plan.

## OUTREACH TOOLKIT CREATED

The Centers for Medicare & Medicaid Services recently unveiled a Medicare Prescription Drug Coverage Outreach Toolkit designed to provide community-level organizations with the materials needed to provide clear and accurate information and assistance to their clients on the Medicare prescription drug coverage. The toolkit is developed with basic information that can be easily conveyed to beneficiaries. The kit contains visual aids, public relations materials, an informational CD, and other informational resources.

Visit [www.cms.hhs.gov/partnerships](http://www.cms.hhs.gov/partnerships) to order your FREE outreach toolkit today!



## MRDD UPDATE

It's not too late to sign up for the Medicare Replacement Drug Demonstration (MRDD). As of May 27th, there were 29,256 people enrolled in the demonstration, well short of the enrollment cap of 50,000 beneficiaries (or \$500,000,000 in spending). The last date applications will be processed is November 30th.

To qualify for the demonstration, a person must: 1) have both Medicare Part A & B; 2) live in one of the 50 states or the District of Columbia; 3) have Medicare as primary health insurance; and 4) have a doctor certify need of at least one covered drug for the listed indication.

CMS has recently decided to extend coverage for breast cancer drugs under the Medicare Replacement Drug Demonstration to include those beneficiaries who are classified as having recurrent disease. The drugs covered include: **Anastrozole (Arimidex)**, **Exemestane (Aromasin)**, **Letrozole (Femara)**, **Tamoxifen (Nolvadex)**, and **Toremifene (Fareston)**.

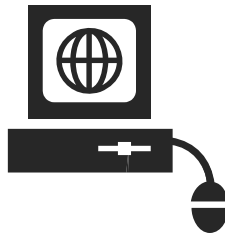
For a complete list of covered drugs and conditions, or to receive an application, call (866) 563-5386, visit [www.medicare.gov](http://www.medicare.gov), or contact the SHIIP office.

# INFO. To KNOW

## HOSPITAL COMPARE: A VALUABLE RESOURCE

We live in an information society today. Now, with the click of a mouse, we can learn about hospital quality from a trusted source. A new resource from The Centers for Medicare & Medicaid Services (CMS) and America's hospitals offers instant, free, easy-to-use information about the quality of care in hospitals. It's information about how well hospitals care for people with certain medical conditions.

Hospital Compare is available because making a decision about hospital care can be difficult. All hospitals are committed to a high quality of care, but hospitals can vary in the quality of care they provide. The hospital quality measures come from data from each hospital's patient records. Hospitals around the country have volunteered to provide Hospital Compare with this information, so it can be shared with you.



CIMRO of Nebraska encourages you to use Hospital Compare as one resource to help you make health care decisions. You should also consult community resources, senior networks and your doctor for information when choosing a hospital.

Hospitals in Nebraska are working with CIMRO of Nebraska to improve their quality of care. CIMRO of Nebraska is under contract with Medicare to offer quality improvement assistance to hospitals and other healthcare providers. They help them improve their quality of care through on-site training, educational seminars and literature, and promoting best practices.

To compare hospitals in your area, visit [www.hospitalcompare.hhs.gov](http://www.hospitalcompare.hhs.gov) or [www.medicare.gov](http://www.medicare.gov) and select *Compare Hospitals in Your Area*, or call 1-800-MEDICARE (1-800-633-4227). For more information on hospital quality in Nebraska, or for information about other quality initiatives now underway, contact CIMRO of Nebraska at 1-800-458-4262.

## UNICARE SECURITYCHOICE EXPANDS COVERAGE

Effective May 1, 2005, UniCare's SecurityChoice enhanced the coverage benefit areas provided through its private fee-for-service (PFFS) plans.

Residents of **Lancaster and Dakota** counties now have the option to elect coverage with the PFFS plan for a \$29 premium. UniCare also offers coverage to individuals in 82 other counties in Nebraska.\*

For more information regarding coverage and co-payment amounts for the plans, contact the SHIIP office or call UniCare's SecurityChoice at 1-800-459-1732.

\* Nebraska counties not included in UniCare's SecurityChoice PFFS plan include: Burt, Dodge, Douglas, Lincoln, Perkins, Red Willow, Sarpy, Saunders, and Thurston.

## MEDICARE OMBUDSMAN

In March, the Centers for Medicare & Medicaid Services announced the hiring of Dan Schreiner to be the first Medicare Ombudsman, a role created by the Medicare Modernization Act of 2003.

As the ombudsman, Schreiner will be the single point of contact within CMS to oversee all beneficiary concerns. He will focus on appeals, complaints, grievances and requests for assistance.

Contact information:

**Daniel Schreiner**  
**Medicare Ombudsman**  
**7500 Security Boulevard**  
**Baltimore, MD 21244**  
**phone: 410-786-0630**  
**fax: 410-786-5487**  
**email: [dschreiner@cms.hhs.gov](mailto:dschreiner@cms.hhs.gov)**

# MEDICARE MODERNIZATION ACT

## 2005-2006 TIMELINE

### **April - November 2005:**

- Creditable coverage notices mailed by employers. The notices will let a beneficiary know if their employer plan “Is or Is Not Creditable Coverage” for delaying taking Medicare Prescription Drug Coverage.

### **Mid-May 2005:**

- The Centers for Medicare & Medicaid Services (CMS) mails “You’ve Been Deemed” notices to all beneficiaries eligible and automatically entitled to the limited-income assistance.

### **May 27-August 15, 2005:**

- The Social Security Administration (SSA) mails Limited-Income Subsidy applications to beneficiaries whose social security records show incomes of less than 150% of poverty, but who are not “deemed” eligible. Beneficiaries are encouraged to complete the application and mail in immediately.

### **July 1, 2005:**

- SSA begins processing limited-income applications.

### **September 14, 2005 (tentative):**

- CMS approves Medicare Rx plans for 2006.

### **September-November 2005:**

- Medigap plans send “Your Coverage Is or Is Not Creditable” notices to policyholders. These notices will include information about Medigap changes and options for coverage in 2006.

### **October 1, 2005-ongoing:**

- CMS mails notices to persons who applied for extra help with drug plan costs that “You’ve Been Enrolled.”

### **October 13, 2005:**

- Launch of Online Enrollment Center to compare plans.

### **October 15, 2005:**

- Medicare Prescription Drug Coverage plans will start to market to Medicare beneficiaries. This will likely include a variety of plans - both standard and those with enhanced benefits, Preferred Provider Organizations (PPOs) with prescription drug coverage, and other Medicare Advantage plans in the area.
- CMS will mail out auto-enrollment notices to limited-resource targeted population. These notices explain that limited-income beneficiaries will be auto-enrolled into a plan if no selection is made on their own. Those receiving both Medicaid and Medicare will be auto-enrolled into Medicare Rx plans for coverage to begin 1/1/06. Those who are in Medicare Savings Programs or on Supplemental Security Income (SSI) will be randomly auto-enrolled into a plan if no selection is made by 5/15/06, with coverage effective 6/1/06.

### **November 15, 2005-May 15, 2006:**

- Initial Enrollment Period for 2006 Medicare Prescription Drug Coverage plans.

### **December 31, 2005:**

- Last day of Medicaid drug coverage for individuals with both Medicare and Medicaid. Medigap plans H, I, J with prescription drug coverage issued will no longer be issued.

### **January 1, 2006:**

- Medicare Prescription Drug Coverage begins operation.

### **April 1, 2006:**

- CMS mails notices to non-deemed beneficiaries, “Last Chance to Enroll Without a Higher Premium.”

### **May 15, 2006:**

- Last day of Initial Enrollment Period.



## STATEWIDE COALITION & MEDICARE'S PRESCRIPTION DRUG BENEFIT

In February 2005, the Nebraska SHIIP teamed up with AARP and developed a coalition of key stakeholders to guide the state in educating and promoting the Medicare Prescription Drug Plans. This coalition has grown to a team of over 85 individuals representing organizations including the State Medicaid program, League of Human Dignity, State Unit on Aging, the Long Term Care Ombudsman, Cooperative Extension, Social Security Administration, Nebraska Healthcare Association, Nebraska Easter Seals, Nebraska Medical Association, and Interchurch Ministries. The coalition also welcomed the assistance of legislative aides, universities, community colleges, hospitals, nursing homes, and assisted living facilities.

The Nebraska Medicare Prescription Drug Key Stakeholders Coalition meets monthly via teleconference. The coalition is geared toward professional staff and volunteers of Nebraska agencies and organizations who offer assistance to Medicare beneficiaries in order to enable Medicare beneficiaries to understand the Medicare prescription drug coverage benefit.

On June 1, the coalition held its first satellite conference which was picked up by more than 26 counties at over 30 different sites throughout the state. The June 1<sup>st</sup> conference was titled, "Assisting Medicare Beneficiaries with the NEW Medicare Prescription Drug Coverage Benefit of 2006." The two-hour televised show consisted of a panel of three local experts from SHIIP, SSA and the State Dept. of Health and Human Services Medicaid. This satellite conference was made possible through the UNL Cooperative Extension, which hosted the filming and also projected viewing of the program to facilities across the state.

News of the satellite training spread and several last-minute requests came from hospitals, nursing homes, and community organizations wanting to host the program for their staff. Of the program evaluations received from viewers, the overwhelming response was highly positive with requests for additional information. Future conferences are being planned by the coalition when the rules pertaining to the new drug benefit become more clearly defined and the enrollment tool for the prescription drug plans is released by CMS.

## SMOKING & TOBACCO USE CESSATION COUNSELING

Based on a 2004 request from the Partnership for Prevention to review the issue for a national coverage determination (NCD), CMS determined that the evidence was adequate to conclude that smoking and tobacco use cessation counseling, based on current Public Health Service (PHS) guidelines, is reasonable and necessary for certain individuals who use tobacco and have a disease or an adverse health effect caused or complicated by tobacco use.



The coverage decision involves Medicare beneficiaries who have illness caused or complicated by tobacco use, such as heart disease, cerebrovascular disease, lung disease, weak bones, blood clots, and cataracts, the diseases that account for the bulk of Medicare spending today. It also applies to beneficiaries who take any medications whose effectiveness is complicated by tobacco use, including insulin and medicines for high blood pressure, blood clots and depression.

When certain coverage conditions, frequency and other limitations are met, smoking and tobacco cessation counseling is covered under Medicare Part B, effective March 22, 2005. Medicare Part B coverage includes two attempts each year. Each attempt may include a maximum of four intermediate or intensive sessions. A total of eight sessions are covered in a 12-month period. The qualified practitioner and the patient have flexibility to choose between intermediate or intensive cessation strategies for each session.

# Q & A

**Q: I've heard that Medicare will offer a prescription drug benefit next year. Who is eligible to receive it?**

A: Individuals with Medicare Part A or Medicare Part B and who live in the service area of a prescription drug plan or Medicare Advantage prescription drug plan are eligible to enroll.

**Q: What drugs are included and excluded from the new Medicare prescription drug coverage?**

A: By law, a prescription drug plan (PDP) drug is any drug available only by prescription, approved by the Food and Drug Administration (FDA), used and sold in the United States, and used for a medically accepted indication. More specifically, a PDP drug includes prescription drugs, biological products, insulin, vaccines, and certain medical supplies associated with the injection of insulin (syringes, needles, alcohol swabs, and gauze).

Certain drugs or classes of drugs cannot be PDP drugs because they are excluded by law.

These include: (1) drugs when used for anorexia, weight loss, or weight gain;

(2) drugs when used to promote fertility;

(3) drugs when used for cosmetic purposes or hair growth; (4) drugs when used for the symptomatic relief of cough and colds;

(5) prescription vitamins and mineral products, except prenatal vitamins and fluoride preparations; (6) nonprescription



drugs; (7) outpatient drugs for which the manufacturer seeks to require that associated tests or monitoring services be purchased exclusively from the manufacturer as a condition of sale; (8) barbiturates; and (9) benzodiazepines. In addition, a drug cannot be covered under Medicare prescription drug coverage if payment for that drug, as it is prescribed and dispensed or administered to an individual, is available under Parts A or B of Medicare.

Beyond this definition, individual plans will construct formularies to determine what drugs are covered under their plan. Plans are required to include at least two drugs in every therapeutic category and class on their formularies, and CMS will review the formularies to make sure they are adequate and do not discriminate against any group of beneficiaries.

**Q: I understand that under the new Medicare prescription drug coverage some people will get extra help paying for their prescription costs. Who will get this extra help?**

A: When Medicare adds prescription drug coverage to its benefits January 1, 2006 you'll pay a premium and certain costs for your prescriptions. Individuals on Medicare who have limited income and resources will be eligible to get help paying the premium and some of these costs. You are eligible for the extra help if you are single and your annual income is below \$14,355. The limit for couples is \$19,245. In addition your resources must be below \$10,000 for singles and \$20,000 for couples.

# Q & A

**Q: I think I might qualify for extra help with the prescription drug benefit. How do I sign up?**

A: Social Security has identified approximately 130,000 Nebraskans who might be eligible for the extra help. Beginning in May, Social Security will send letters to these individuals with an application to apply for the extra help. The letters will be sent out weekly, based on the last digits of your Social Security number. A friend or neighbor may get a letter before you do simply because of his/her Social Security number. If you don't get one of these letters by the end of August and you think you might qualify based on your income and resources, you can contact Social Security (1-800-772-1213) to request an application. SHIIP also has volunteers across the state to help you complete the application. Call 1-800-234-7119 for more information.

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**Q: What if I already have prescription drug coverage? Do I have to sign up for Medicare's prescription drug coverage?**

A: If your current drug coverage is "creditable prescription drug coverage" – that is coverage that is of equal or greater value than Medicare standard prescription drug coverage, you may keep that coverage and wait to enroll in Medicare prescription drug coverage. The organization offering your current coverage, such as your former employer or union or the insurance company they have hired, will tell you whether your current coverage is creditable. If you have, and keep, creditable coverage for a few years and later decide to join Medicare prescription drug coverage, then you will not be subject to the higher premium.

**Q: I am 65 and employed with health coverage from my employer. If I don't sign up for the prescription drug benefit now will I have to pay a higher premium when I am fully retired and sign up for the prescription drug benefit?**

A: If your health coverage offered by the employer includes prescription drug coverage that is as good as or better than Medicare's standard prescription drug coverage, you will not have to pay a higher premium when you retire and enroll in a Medicare prescription drug plan. You must enroll in a Medicare prescription drug plan within 63 days of when your employer coverage ends to avoid the higher premium charge. Your employer is required to tell you if your coverage is as good as the Medicare coverage.



**Q: How much higher is the premium on the Medicare prescription drug coverage if a beneficiary is penalized for late enrollment?**

A: If an individual enrolls in a Medicare prescription drug plan after May 15, 2006 after a period of 63 days or more without drug coverage that is as good as or better than Medicare coverage, his/her premium will increase at least 1% of the base beneficiary premium (a national number) per month for every month that he/she waited to enroll. The individual will have to pay this higher premium as long as the individual has a Medicare prescription drug plan. Once CMS has sufficient data with which to evaluate the costs attributable to late enrollees, the percentage amount may be increased.

# THE MEDICARE PRESCRIPTION DRUG BENEFIT

## Background

In 2003, Congress passed the Medicare Prescription Drug, Improvement, and Modernization Act, representing the most significant legislative change to Medicare since the program's inception in 1965. Beginning in 2006, a new Medicare comprehensive prescription drug benefit will provide more choices and greater protections to Medicare beneficiaries, regardless of their income. With this new benefit, seniors will cut their bills in half, not their pills.

## Examining the Benefit

Medicare prescription drug plans provide insurance coverage for prescription drugs. Like other insurance, if you join, you will pay a monthly premium, generally about \$35, plus a share of the cost of your prescriptions. Costs may be different depending on the drug plan you choose.

Drug plans may vary in the prescription drugs covered, how much you will pay, and the pharmacies you can use. All drug plans will have to provide at least a standard level of coverage, which Medicare will set. However, some plans may offer more coverage and additional drugs for a higher monthly premium. When you join a drug plan, it's important for you to choose one that meets your needs. Some employers or other third parties may offer coverage that supplements the standard coverage.

If you're in fee-for-service Medicare and want Medicare prescription drug coverage, you will need to sign up for a prescription drug plan. Plans may vary in coverage. Standard coverage works like this:

- You pay a \$250 deductible;
- You pay 25% of drug costs from \$250 to \$2,250, Medicare will pay 75 percent;
- You pay 100% of drug costs from \$2,250 to \$5,100;
- After your total drug costs reach \$5,100 and you have paid \$3,600 in out-of-pocket costs, you pay only 5% of any costs above \$5,100; Medicare will pay the other 95 percent.

In most cases, if you are enrolled in a Medicare Advantage Plan (like an HMO or PPO), you will receive your Medicare prescription drug coverage through that plan.

Medicare will provide information about Medicare prescription drug plans, including how to choose and join a plan. In the fall of 2005, Medicare will mail you the *Medicare & You 2006* handbook, which will list the Medicare prescription drug plans available in your area.

## Eligibility and Enrollment

If you have Medicare Part A and/or Part B, you can join a Medicare prescription drug plan between November 15, 2005, and May 15, 2006. If you join by December 31, 2005, your Medicare prescription drug coverage will begin on January 1, 2006. If you join after that, your coverage will begin the first day of the month after the month you join.



To enroll in a plan, you must live in a plan's service area. You can enroll directly in a plan, or someone else can help you enroll. The plan will notify you if your application is accepted or not.

It is important that you join a Medicare prescription drug plan when you are first eligible. Medical practice has come to rely more on new drug therapies to treat chronic conditions, and out-of-pocket spending on drugs has increased dramatically. Most people with Medicare currently need or will come to need prescription drug coverage to stay healthy. Medicare prescription drug coverage will protect you from high out-of-pocket costs. For most people, joining when you are first eligible means that you will pay a lower monthly premium than if you wait to enroll later.

After May 15, 2006, you can enroll in a plan, drop a plan, or change plans only during the period from

November 15 through December 31 each year, except in certain situations. If you want to stay in the plan you are currently enrolled in for the next year, you don't have to do anything.

### Extra Help for Those Who Need it Most

If you have limited income and resources, which include your savings and stocks, but not your home, you may be able to get extra help. If you qualify, you will get help paying the monthly premium for your drug plan and/or some of the other costs for your prescriptions. The type of extra help will be based on the amounts of your income and resources.

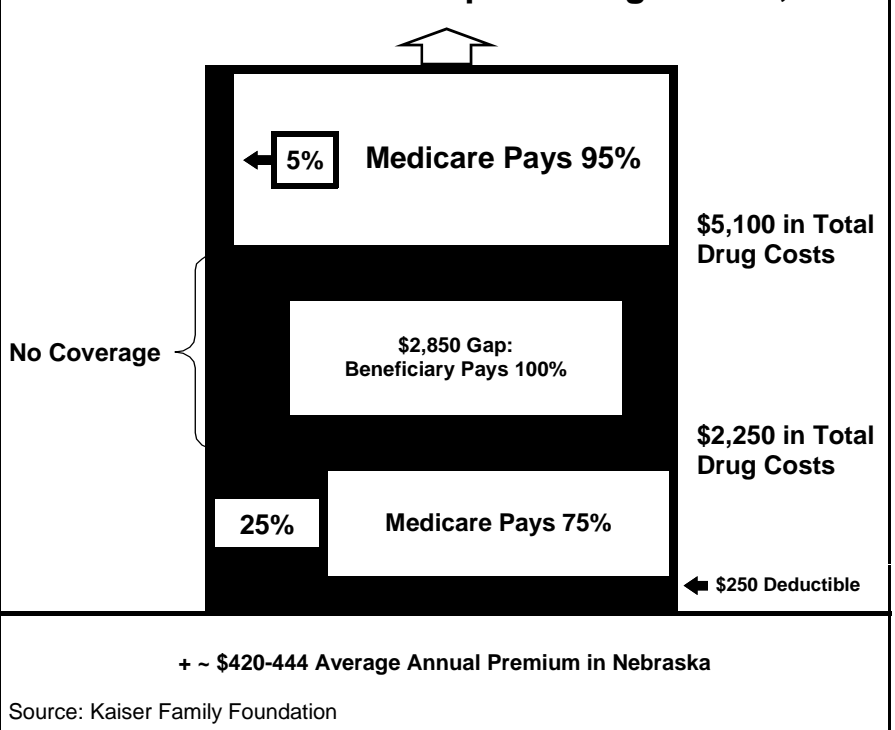
In the summer of 2005, the Social Security Administration (SSA) will send people with limited incomes information about how to apply for this extra help. If you think you qualify, you can apply with the SSA as early as Summer 2005.

### You May Need to Know

- As of January 2006, if you have both Medicare and full Medicaid benefits, you will no longer receive drug coverage through Medicaid. Medicare will provide your prescription drug coverage instead of Medicaid. If you have Medicare and full Medicaid benefits and do not choose a plan by December 31, 2005, Medicare will enroll you in one. However, you will be able to change plans at any time.
- Medicare prescription drug plans are different from the Medicare-approved drug discount cards that were available in 2004 and 2005. You can use your Medicare-approved discount card until May 15, 2006, or until you join a Medicare prescription drug plan, whichever comes first.
- If you have a Medigap policy with drug coverage, you will get a notice from your insurance company telling you whether or not your policy is as good as or better than Medicare prescription drug coverage. This notice will explain your rights and choices.

- If you have prescription drug coverage from an employer or union, your employer or union will notify you about whether your current drug coverage is as good as or better than Medicare prescription drug coverage. If it is, you can keep your current drug coverage, and if you decide to join a Medicare prescription drug plan later, your monthly premium won't be higher. If you drop your current drug coverage and join a Medicare prescription drug plan, you may not be able to get your previous coverage back.
- If you live in a U.S. territory and have a limited income and limited resources, you may get extra help paying for your prescription drug costs.
- If you are in a nursing home, you may get your prescription drugs from a long-term care pharmacy that contracts with a Medicare prescription drug plan.
- Your Medicare prescription drug plan must notify you 60 days before taking one of your prescriptions off its list of covered drugs.
- In Fall 2005 you will be able to get information to help you find a plan that meets your needs by visiting [www.medicare.gov](http://www.medicare.gov) or by calling **1-800-MEDICARE**. Nebraska's Senior Health Insurance Information Program (SHIIP) will also be available to counsel you on your drug coverage decisions at **1-800-234-7119**.

### Standard Medicare Prescription Drug Benefit, 2006



# ODDS & ENDS

## EXTRA HELP FOR THOSE WITH LIMITED INCOMES

If you are a Medicare beneficiary with limited income and resources, you may be able to get extra help paying for prescription drugs.

### Details on Extra Help

- If your annual income is below \$14,355 for an individual (\$19,245 for a married couple living together), you may not have to pay monthly premiums or deductibles, and you could pay as little as \$2 for your co-payments.
- Even if your income is higher, you still may be able to get some help with monthly premiums, annual deductibles and prescription co-payments. Some examples where income may be higher, if you or your spouse: support other family members who live with you; have earnings from work, or; live in Alaska or Hawaii.
- To qualify, your resources must be limited to \$10,000 for an individual (\$20,000 for a

married couple living together). These resource limits can be slightly higher (an additional \$1,500 per person) if you will use some of your money for burial expenses. Resources include such things as bank accounts, stocks and bonds. A house and car are not counted as resources.

### Getting Extra Help

If you have both Medicaid with prescription drug coverage and Medicare; Medicare and Supplemental Security Income; or if your state pays for your Medicare premiums, you automatically will get this extra help. You do not have to do anything.

Also, from June through August 2005, millions of Medicare beneficiaries who may be eligible for the extra help will be mailed an *Application for Help with Medicare Prescription Drug Plan Costs*. If you receive an application, you should complete it as soon as possible. If you do not receive an application in the mail, you can get one by calling Social Security at **1-800-772-1213**. Beginning July 1, 2005, you can also apply online at **[www.socialsecurity.gov](http://www.socialsecurity.gov)**.

## One Hundred Years...

In 1905, the average life expectancy in the U.S. was 47 years old, the tallest building in the world was the Eiffel Tower, and sugar cost four cents per pound. The population of Las Vegas was 30 people.

## BROCHURES UPDATE

We have several new or updated brochures created by the SHIIP office and the Centers for Medicare & Medicaid Services. It is essential that volunteers use only the most current and up-to-date information when counseling beneficiaries. To receive a copy of any or all of the new brochures, please contact Sue at the SHIIP office or your regional representative by calling the SHIIP hotline, 1-800-234-7119.

### NEW BROCHURES (REVISION DATE)

- |  |   |
|--|---|
| • Medicare Coverage of Kidney Dialysis (11/04)                     | • Prostate Cancer Screenings (6/03)                     |
| • Introducing Medicare's New Coverage for Prescription Drug (4/05) | • Client Contact Form (7/1/05)                          |
| • Colorectal Cancer - Facts on Screening (3/02)                    | • Public and Media Activity Form (7/1/05)               |
| • Colorectal Cancer - Screenings Saves Lives (11/02)               | • Medicare Replacement Drug Demonstration Update (6/05) |
| • Pap Tests for Older Woman (7/01)                                 | • Long Term Care Insurance in Nebraska (6/05)           |
| • Power to Control Diabetes (10/02)                                | • Medicare Due to a Disability (6/05)                   |
|  | • Private Fee-For-Service (6/05)                        |

# NEBRASKA MEDICARE PARTNERS

Several Nebraska Medicare partners are dedicated to assisting you with your Medicare issues and other health insurance-related concerns. These partners include:

**Medicare Part A** provides information on:

- Inpatient hospital services
- Skilled nursing facility services
- Outpatient facility services/procedures
- Rehabilitation services

**Call 1-800-Medicare (1-800-633-4227)**

**Medicare Part B** handles your claims for:

- Medical/professional services rendered in an office, inpatient, or outpatient setting
- Lab tests, x-rays, and diagnostic tests
- Ambulance transportation

**Call 1-800-Medicare (1-800-633-4227)**

**DMERC** processes claims for durable medical equipment & supplies including:

- Home dialysis equipment
- Immunosuppressive & oral anti-cancer drugs
- Therapeutic shoes for diabetics
- Wheelchairs, walkers, canes, etc.
- Power-operated vehicles

**Call 1-800-Medicare (1-800-633-4227)**

**Quality Improvement Organization** handles quality of health care issues including:

- Hospital, skilled nursing, and home health care
- Your patient rights, including discharge issues
- Care in a Medicare HMO

**Call CIMRO of Nebraska (1-800-458-4262)**

**Nebraska Department of Health and Human Services, Unit on Aging** is a State Agency providing information about:

- Nebraska Aging Network
- Benefits Eligibility Screening Services
- Long-Term Care Ombudsmen
- ECHO - Medicare Fraud and Abuse
- Legal service referrals
- Care management services in the home

**Call Unit on Aging (1-800-942-7830)**

**Railroad Retiree Board** handles Medicare eligibility and enrollment for railroad retirees.

**Call Railroad Retiree Board (1-402-221-4641)**

**Federal Employee Health Benefits Program** answers questions about FEHBP and Medicare for federal retirees.

**Call FEHBP at (1-888-767-6738)**

**Social Security Administration** can help with:

- Medicare eligibility and enrollment
- Changing your address for Medicare
- Replacing your Medicare card
- Questions on Medicare Premium

**Call SSA at (1-800-772-1213)**

**Nebraska Dept. of Health & Human Services** handles:

- Medicaid spend-down
- Medicare Savings Programs

**Call HHSS at (1-800-685-5456)**

**Nebraska Department of Insurance** will help with:

- Health, Life, Auto & Property insurance questions
- Filing a complaint regarding insurance coverage
- Insurance Fraud complaints

**Call NDOI at (1-877-564-7323)**

**NE Dept. of Health & Human Services, Dept. of Regulation & Licensure** handles complaints on:

- Licensed & certified health care providers, also long-term & non-long-term care facilities

**Call Dept. of Reg. at (1-402-471-2133)**

**Nebraska Senior Health Insurance Information Program (SHIIP)** is a state counseling program providing information about:

- Medicare supplemental insurance
- Medicare Advantage plans
- Long-term care insurance
- Medicaid, QMB, and SLMB programs
- Comprehensive Health Insurance Pool (CHIP)

**Call SHIIP at (1-800-234-7119)**

**Home Health Intermediary** can assist with:

- Information about Home Health or Hospice Care

**Call 1-800-Medicare (1-800-633-4227)**

**Department of Labor** is a Federal Agency that assists with COBRA questions and employer requirements on group health insurance plans.

**Call Department of Labor at (1-866-444-3272)**

**Coordination of Benefits Office** assists beneficiaries with Medicare primary/secondary payer determination when multiple insurance coverage exists.

**Call COB at (1-800-999-1118)**

**Veterans' Affairs** assists with VA Benefits questions.

**Call VA at (1-877-222-8387)**



Nebraska Department of Insurance  
ATTN: SHIIP Program  
941 "O" Street, Suite 400  
Lincoln, NE 68508-3639  
22 40 04